

Honolulu, Hawaii

FEBRUARY 27, 2014

RE: H.B. No. 474
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which
was referred H.B. No. 474 entitled:

"A BILL FOR AN ACT RELATING TO TRANSIENT ACCOMMODATIONS,"

begs leave to report as follows:

The purpose of this measure is to clarify that an
association's duty to report to the Department of Taxation is
limited to the relevant information an association actually
receives from a transient accommodation operator and limit the
fines imposed on an association while also holding an owner or
operator of a transient accommodation accountable for failure to
report.

The Department of Taxation; Hawaii Association of Vacation
Rental Managers; Community Associations Institute's Legislative
Action Committee; Princeville at Hanalei Community Association;
Hawaii First, Inc.; CAI LAC; and numerous individuals testified in
support of this measure.

Your Committee has amended this measure by:

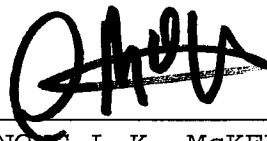
- (1) Amending the penalties for operators who wilfully fail
to supply the required information to a certain
association or nongovernmental entity for the property
where the transient accommodation is located;



- (2) Clarifying that a fine shall not be imposed for an operator's non-wilful conduct, unless the operator fails to furnish or update the relevant information within sixty days of the discovery of the negligence, administrative error, or other non-wilful conduct;
- (3) Specifying that the penalty for a nongovernmental entity that fails to report to the Department of Taxation the required information shall be imposed not more than once per year;
- (4) Increasing the scope of the relevant information to be reported; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 474, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 474, H.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ANGUS L.K. MCKELVEY, Chair



HSCR 664-14

Record of Votes of the Committee on Consumer Protection and Commerce

Bill/Resolution No.: HB 474	Committee Referral: CPC	Date: 2/26/14		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	/			
2. KAWAKAMI, Derek S.K. (VC)	/			
3. BELATTI, Della Au	/			
4. BROWER, Tom	/			
5. CACHOLA, Romy M.	/			
6. CREAGAN, Richard	/			
7. EVANS, Cindy				/
8. HAR, Sharon E.				/
9. ITO, Ken	/			
10. LEE, Chris				/
11. NAKASHIMA, Mark M.	/			
12. OSHIRO, Marcus R.	/			
13. TSUJI, Clift	/			
14. YAMANE, Ryan I.	/			
15. MCDERMOTT, Bob	/			
16. THIELEN, Cynthia	/			
TOTAL (16)	13			3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: _____				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				